

NOTICE OF SALE

\$985,000
TOWN OF RED HOOK
DUTCHESS COUNTY, NEW YORK
PUBLIC IMPROVEMENT REFUNDING (SERIAL) BONDS, SERIES 2020

SEALED PROPOSALS will be received and considered by the undersigned Town Supervisor of the Town of Red Hook, Dutchess County, New York (the "Town"), via iPreo's Parity Electronic Bid Submission System ("Parity") or by facsimile transmission (see "Submission of Bids" herein) through the offices of Capital Markets Advisors, LLC, 11 Grace Avenue – Suite 308, Great Neck, New York 11021, Phone Number (516) 487-9818 on

November 23, 2020

until 11:00 o'clock a.m. (Prevailing Time) at which time and place the bids will be publicly opened and announced, for the purchase IN FEDERAL FUNDS at not less than par and accrued interest of \$985,000 Public Improvement Refunding (Serial) Bonds, Series 2020 (the "Bonds") due as follows:

<u>Maturity</u>	<u>Amount*</u>
October 1, 2021	\$80,000
October 1, 2022	75,000
October 1, 2023	80,000
October 1, 2024	80,000
October 1, 2025	80,000
October 1, 2026	90,000
October 1, 2027	90,000
October 1, 2028	95,000
October 1, 2029	100,000
October 1, 2030	105,000
October 1, 2031	110,000

*Following the sale of the bonds, the aggregate principal amount of the Bonds may be decreased in an amount not in excess of the premium offered by the successful bidder to the extent necessary in order that the total proceeds, which include the total par amount of the Bonds plus the original issue premium, if any, received by the Town, do not exceed the maximum amount permitted under applicable provisions of the Internal Revenue Code of 1986, as amended. In such event, the premium shall be adjusted to the extent necessary to achieve the same true interest cost which served as the basis for the award to the purchaser. The Town may, after selecting the low bidder, within 24 hours after the opening of the bids, adjust such principal amounts to the extent necessary to meet the requirements of substantially level or declining debt service and to ensure compliance by the Town with the Internal Revenue Code of 1986, as

amended (the "Code") and the Local Finance Law. The successful bidder may neither withdraw nor modify its bid as a result of any such post-bid adjustment. Any such adjustment shall be conclusive, shall be promptly communicated to the successful bidder, and shall be binding upon the successful bidder.

The Bonds will be dated their date of delivery and will bear interest at the rate per annum specified by the successful bidder therefor in accordance with this notice, payable on April 1 and October 1 in each year until maturity, commencing April 1, 2021.

Bond Registration

The Bonds will be issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds ("DTC"). Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and interest will be paid by the Town to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Alternatively, at the option of the successful bidder, the Bonds will be issued in certificated form registered in the name of the successful bidder, either (i) as a single statutory installment bond in the denomination of the entire aggregate principal amount purchased by such Purchaser, or (ii) as serial bonds with a single certificate in the amount of each principal maturity. In such case the certificated Bonds will be payable at the office of the Town Clerk. Any paying agent fees shall be the responsibility of the purchaser.

Redemption

The Bonds maturing on or before October 1, 2028 will not be subject to redemption prior to maturity. The Bonds maturing on October 1, 2029 and thereafter will be subject to redemption prior to maturity, at the option of the Town, in whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity) on any date on or after October 1, 2028 at par plus accrued interest to the redemption date.

Section 265(b)(3)

THE BONDS WILL BE DESIGNATED OR DEEMED DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" PURSUANT TO THE PROVISIONS OF SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

Submission of Bids

Each proposal must be a bid for not less than all of the Bonds. Each bid for the Bonds may state different rates of interest for Bonds maturing in each calendar year, provided, however, that

(i) only one (1) rate of interest may be bid for Bonds of the same maturity, (ii) variations in rates of interest so bid shall be in ascending progression in order of maturity so that the rate of interest on Bonds maturing in any particular calendar year shall not be less than the rate of interest applicable to Bonds maturing in any prior calendar year, (iii) the maximum difference between the highest and the lowest interest rates may not exceed four percentum per annum, and (iv) all rates of interest bid must be stated in a multiple of one-hundredth or one-eighth of one percent per annum.

Each proposal must either (i) be received via facsimile transmission to the Town's financial advisor, Capital Markets Advisors, LLC, at 516-487-2575 (facsimile), or (ii) be submitted electronically via Parity. No other form of electronic bidding service nor telephone proposals will be accepted. No proposal will be accepted after the time for receiving proposals specified above.

Bidders submitting proposals via facsimile must use the "Proposal for Bonds" form attached hereto. Once the proposals are delivered or communicated electronically via facsimile to the Town, each bid will constitute an irrevocable offer to purchase the bonds pursuant to the terms therein provided. A facsimile bid will be opened and considered together with proposals received via Parity. The timely delivery of all proposals submitted by facsimile must be in legible and completed form, signed by the authorized representative of the bidder, and shall be the sole responsibility of the bidder. The Town shall not be responsible for any errors or delays in transmission and/or receipt of such bids, mechanical or technical failures or disruptions, or any omissions or irregularities in any bids submitted in such manner.

No good faith deposit will be required.

Registration to Bid Electronically

Prospective bidders wishing to submit an electronic bid via Parity must be contracted customers of Parity. Prospective bidders who do not have a contract with Parity must call (212) 849-5021 to become a customer. By submitting an electronic bid for the bonds, a bidder represents and warrants to the Town that such bidder's bid for the purpose of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds. Each prospective bidder who wishes to submit an electronic bid shall be solely responsible to register to bid via Parity. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access Parity for purposes of submitting its bid in a timely manner in compliance with the requirements of this Notice of Sale. Neither the Town nor Parity shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder and neither the Town nor Parity shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by Parity. The Town is using Parity as a communications mechanism, and not as the Town's agent, to conduct the electronic bidding for the Town's Bonds. The Town is not bound by any advice or determination of Parity as to whether any bid complies with the terms of this Notice of Sale. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via Parity are the sole responsibility of the bidders, and the Town is not responsible, directly or indirectly, for any such costs of expenses. Information about

Parity, including any fee charged, may be obtained from Parity. The time maintained by Parity shall constitute the official time with respect to all bids submitted. If a prospective bidder encounters any difficulty in registering to bid, or submitting or modifying a bid for the Bonds, it should telephone Parity and notify the Town's financial advisor, Capital Markets Advisors, LLC, telephone (516) 487-9818 (provided that the Town shall have no obligation to take any action whatsoever upon receipt of such notice). If any provisions of this Notice of Sale shall conflict with information provided by Parity, the provisions of this Notice of Sale shall control.

Bid Award

The right is reserved to reject all bids, and any bid not complying with the terms of this notice will be rejected.

Unless all bids are rejected, the Bonds will be awarded and sold to the bidder complying with the terms of sale and offering to purchase the Bonds at such rate or rates of interest as will produce the lowest true interest cost (without taking into consideration any adjustment to be made in the principal maturities to meet the requirements of substantially level or declining debt service), computed in accordance with the true interest cost method of calculation, that being the rate which, compounded semi-annually, is necessary to discount all principal and interest payments on the Bonds to the purchase price (including accrued interest) bid for the Bonds. The true interest cost computation shall be made as of the delivery date of the Bonds at the delivery date. If two or more such bidders offer the same lowest true interest cost computed as described above, the Bonds will be awarded to the bidder whose bid offers to purchase the Bonds at the highest premium dollar amount. The successful bidder must also pay an amount equal to the interest on the Bonds, if any, accrued to the date of payment of the purchase price. Notwithstanding anything herein to the contrary, the Town reserves the right to waive any technical defects, omissions or other deficiency in the form of any proposal submitted for consideration.

Award of the Bonds to the successful bidder, or rejection of all bids, is expected to be made promptly after opening of the bids, but no bidder may withdraw its proposal until after 4:00 o'clock p.m. (Prevailing Time) on the day of such bid opening and then only if such award has not been made prior to the withdrawal.

THE TOWN RESERVES THE RIGHT TO CHANGE THE TIME AND/OR DATE FOR THE OPENING OF THE BIDS. NOTICE OF ANY SUCH CHANGE SHALL BE PROVIDED NOT LESS THAN 24 HOURS PRIOR TO THE TIME SET FORTH ABOVE FOR THE OPENING OF BIDS BY MEANS OF A SUPPLEMENTAL NOTICE OF SALE TO BE TRANSMITTED OVER THE TM3. Any such supplemental notice shall not change the terms of the sale of the Bonds other than the time or date for opening of bids, the amount of principal scheduled to be repaid in each year, the right of redemption prior to maturity, and the face value at maturity of the issue or any installment thereof.

Bond Insurance

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor, at the option of a bidder, the purchase of any such insurance policy or the issuance of any such commitment therefor shall be at the sole option and expense of such bidder

and any increased costs of issuance of the Bonds resulting by reason of the same, unless otherwise paid, shall be paid by such bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not constitute cause for failure or refusal by the purchaser of the Bonds to accept delivery of and pay for the Bonds in accordance with the terms hereof.

Security for the Bonds; Purpose of Issue

The Bonds are general obligations of the Town for the payment of which the Town will pledge its faith and credit. Unless paid from other sources, the taxable real property in the Town will be subject to the levy of ad valorem taxes to pay the Bonds and the interest thereon, subject to certain limitations imposed by Chapter 97 of the Laws of 2011, as amended, as more fully described in the Official Statement. The State Constitution requires the Town to pledge its faith and credit for the payment of the principal of the Bonds and the interest thereon and to make annual appropriations for the amounts required for the payment of such interest and the principal of the Bonds. The State Constitution also provides that if at any time the appropriating authorities fail to make the required appropriations for the annual debt service on the Bonds and certain other obligations of the Town, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied for such purposes, and that the fiscal officer of the Town may be required to set apart and apply such revenues as aforesaid at the suit of any holder of such obligations.

The Bonds are to be issued pursuant to the State Constitution and statutes of the State of New York, including, among others, the Local Finance Law, to refund up to \$1,095,000 outstanding principal amount of the Town's Public Improvement Serial Bonds, Series 2011A, issued to finance the cost of a highway garage projects in the Town.

The current estimated population of the Town, based on the 2017 estimate prepared by the U.S. Census Bureau, is 11,238. The debt statement to be filed pursuant to Section 109.00 of the Local Finance Law in connection with the sale of the Bonds, prepared as of November 13, 2020, shows the average full valuation of real property subject to taxation by the Town to be \$1,174,888,246, its debt limit to be \$82,242,177 and its total net indebtedness (not including the Bonds) to be \$4,983,839.

Form and Delivery of the Bonds

If the Bonds are issued in book entry form, the Bonds will be delivered to DTC in escrow. It shall be the responsibility of the purchaser to verify the CUSIP numbers at such time. The book entry Bonds will be closed through the offices of DTC in Jersey City, New Jersey. If the Bonds are issued in certificated form, the Bonds will be delivered at the office of Bond Counsel in Rhinebeck, New York. The closing will be held on or about December 9, 2020, and the Bonds will be delivered against receipt of Federal Funds in the amount equal to the par amount of such Bonds, plus the premium, if any, accrued interest from the date of such Bonds to the date of delivery.

The deposit of the Bonds with DTC under the book entry system requires the assignment of CUSIP numbers prior to delivery. CUSIP numbers will be printed on the Bonds if the

purchaser provides Bond Counsel with such numbers by written communication by 3:00 p.m. on the business day following the date of sale of the Bonds. It shall be the responsibility of the successful bidder to obtain CUSIP numbers for the Bonds prior to delivery and the Town will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of the successful bidder to obtain such numbers and to supply them to the Town in a timely manner. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Town; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder.

Obligation of Winning Bidder to deliver an Issue Price Certificate at Closing

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of each maturity of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds (the “Competitive Sale Requirements”). The Municipal Advisor will advise the winning bidder if the Competitive Sale Requirements were met at the same time it notifies the winning bidder of the award of the Bonds. **Bids will not be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied.**

The winning bidder shall, within one (1) hour after being notified of the award of the Bonds, advise the Municipal Advisor by electronic or facsimile transmission of the reasonably expected initial public offering price or yield of each maturity of the Bonds (the “Initial Reoffering Prices”) as of the date of the award.

By submitting a bid, the winning bidder agrees (unless the winning bidder is purchasing the Bonds for its own account and not with a view to distribution or resale to the public) that if ten percent of each maturity (as hereinafter defined) of the Bonds has not been sold on the sale date and if the Competitive Sale Requirements are not met, it will elect and satisfy either option (1) or option (2) described below. *Such election must be made on the bid form submitted by each bidder. In the event a bidder submits a bid via Parity’s website, such bidder must notify the Municipal Advisor via email (tvouzakis(@capmark.org) as to such election at the time such bid is submitted.*

(1) Hold the Price. The winning bidder:

- (a) will make a bona fide offering to the public of all of the Bonds at the Initial Reoffering Prices and provide Bond Counsel with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will neither offer nor sell to any person any Bonds within a maturity at a price that is higher, or a yield that is lower, than the Initial Reoffering Price of such maturity until the earlier of (i) the date on which the winning bidder has sold to the public at least 10 percent of the Bonds of such maturity at a price that is no higher, or a yield that is no lower, than the Initial Reoffering Price of such maturity or (ii) the close of business on the 5th business day after the date of the award of the Bonds, and

(c) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the limitations on the sale of the Bonds as set forth above.

(2) Follow the Price. The winning bidder:

(a) will make a bona fide offering to the public of all of the Bonds at the Initial Reoffering Prices and provide the Town with reasonable supporting documentation, such as a copy of the pricing wire or equivalent communication, the form of which is acceptable to Bond Counsel,

(b) will report to the Town information regarding the actual prices at which at least 10 percent of the Bonds within each maturity of the Bonds have been sold to the public,

(c) will provide the Town with reasonable supporting documentation or certifications of such sale prices the form of which is acceptable to Bond Counsel. This reporting requirement, which may extend beyond the closing date of the Bonds, will continue until such date that 10 percent of each maturity of the Bonds has been sold to the public, and

(d) has or will include within any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the winning bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, language obligating each underwriter to comply with the reporting requirement described above.

For purposes of the “hold the price” or “follow the price” requirement, a “maturity” refers to Bonds that have the same interest rate, credit and payment terms.

Regardless of whether or not the Competitive Sale Requirements were met, the winning bidder shall submit to the Town a certificate (the “Reoffering Price Certificate”), satisfactory to Bond Counsel, prior to the delivery of the Bonds stating the applicable facts as described above. The form of Reoffering Price Certificate is available by contacting Bond Counsel or the Town’s Municipal Advisor.

If the winning bidder has purchased the Bonds for its own account and not with a view to distribution or resale to the public, then, whether or not the Competitive Sale Requirements were met, the Reoffering Price Certificate will recite such facts and identify the price or prices at which the purchase of the Bonds was made.

For purposes of this Notice of Sale, the “public” does not include the winning bidder or any person that agrees pursuant to a written contract with the winning bidder to participate in the initial sale of the Bonds to the public (such as a retail distribution agreement between a national lead underwriter and a regional firm under which the regional firm participates in the initial sale of the Bonds to the public). In making the representations described above, the winning bidder must reflect the effect on the offering prices of any “derivative products” (e.g., a tender option) used by the bidder in connection with the initial sale of any of the Bonds.

Any attempt to bid with alterations to the specific language contained in the Notice of Sale which sets forth the documents that will be delivered to the Purchaser at closing will be considered a failure to execute a proper bid as specified in this Notice of Sale and will be treated as a violation of applicable competitive bidding regulations and therefore be treated as a non-conforming bid which will be rejected.

Any party executing and delivering a bid for the Bonds agrees, if its bid is accepted by the Town, to provide to the Town, in writing, within two (2) business days after the date of such award, (i) initial offering prices or yields (expressed as percentages), (ii) selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars), (iii) the identity of the underwriters if the underwriters is necessary for it to comply with SEC Rule 15c-12, including information, information with respect to the purchase of municipal bond insurance, if any. Following the sale of the Bonds, the successful bidder will be required to provide to the Town such information requested by the Town as shall be necessary to enable the Town to determine the "issue price" of the Bonds as defined in Sections 1273 or 1274 of the Internal Revenue Code of 1986, as amended. The successful bidder shall furnish to the Town a Reoffering Certificate acceptable to Bond Counsel, dated as of the date of the delivery of and payment for the Bonds. In making such representations, the successful bidder must reflect the effect on the offering prices of any “derivative products” used by the bidder in connection with the initial sale of the Bonds.

Documents Accompanying Delivery of the Bonds

The successful bidder will be furnished without cost with the approving opinion of Rodenhause Chale & Polidoro LLP, Rhinebeck, New York, Bond Counsel, stating that interest on the Bonds is excluded from gross income for federal income tax purposes, with certain exceptions described in the Official Statement prepared by the Town in connection with the sale of the Bonds, and such interest is exempt from New York State and New York City personal income taxes. Reference should be made to the Official Statement for a description of the scope of Bond Counsel's engagement in relation to the issuance of the Bonds and the matters covered by such legal opinion.

In the event that prior to the delivery of the Bonds, the interest thereon becomes includable in the gross income of the owners thereof for federal income tax purposes, by the terms of any income tax law of the United States of America, the successful bidder may, at its option, be relieved of its obligation under the contract to purchase the Bonds, and in such case the deposit made by it will be returned.

The obligations hereunder to deliver or accept the Bonds pursuant hereto shall be conditioned on the availability to the successful bidder and delivery at the time of delivery of the Bonds of such approving opinion and (1) a certificate of the Town Supervisor to the effect that, as of the date of the Official Statement and at all times subsequent thereto, up to and including the time of delivery of the Bonds, the Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and further stating that there has been no adverse material change in the financial condition of the Town since the time of sale to the time of delivery of the Bonds, subject to the condition that while information in such Official Statement obtained from sources other than the Town is not guaranteed as to accuracy, completeness or fairness, the Town has no reason to believe and does not believe that such information is materially inaccurate or misleading, (2) a certificate signed by the Town Supervisor evidencing payment for the Bonds, and (3) a closing certificate evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending or, to the knowledge of the signers, threatened, restraining or enjoining the issuance and delivery of the Bonds or the levy and collection of taxes to pay the principal of and interest thereon, nor in any manner questioning the proceedings and authority under which the Bonds were authorized or affecting the validity of the Bonds thereunder, (b) neither the corporate existence or boundaries of the Town nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded, 3) a tax certificate dealing with the use and investment of the proceeds of the Bonds, and 4) unless the Bonds are purchased for the successful bidders' own account, as principal for investment and not for resale who delivers a certificate satisfactory to Bond Counsel, the Town will deliver a certificate of the Town Supervisor evidencing the Town's limited undertaking for the benefit of the beneficial owners of the Bonds to provide, or cause to be provided, in accordance with the requirements of Rule 15c2-12, notices of certain material events and certain other information (which covenant is more fully described in the Official Statement).

An Official Statement will be submitted to any interested bidder upon request. The Official Statement is deemed by the Town to be a final official statement, as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, subject to completion with certain pricing and other information to be made available by the successful bidder for the Bonds.

Within five (5) business days following receipt by the Town thereof, the Town will furnish to the successful bidder, in reasonable quantities as requested by the successful bidder, copies of the Official Statement, updated as necessary, and supplemented to include said information. Failure by the successful bidder to provide such information will prevent the Town from furnishing the Official Statement as described above. The Town shall not be responsible or liable in any manner for the successful bidder's determination of information necessary to comply with SEC Rule 15c2-12 or the accuracy of any such information provided by the

successful bidder or for failure to furnish the Official Statement as described above which results from a failure by the successful bidder to provide the aforementioned information within the time specified. Acceptance by the successful bidder of the final Official Statement shall be conclusive evidence of the satisfactory completion of the obligations of the Town with respect to the preparation and delivery thereof.

Copies of the Notice of Sale and the Official Statement may be obtained from Capital Markets Advisors, LLC (the “Financial Advisor”), 11 Grace Avenue – Suite 308, Great Neck, New York 11021, Phone Number (516) 487-9818, and are also available at www.capmark.org.

Dated: November 23, 2020

Robert McKeon
Town Supervisor

PROPOSAL FOR BONDS

November 23, 2020

C/O Capital Markets Advisors, LLC
 822 Route 82, Suite 310
 Hopewell Junction, New York 12533

Robert McKeon
 Supervisor
 Town of Red Hook

Fax: 516-487-2575

Subject to the provisions and in accordance with the terms of the annexed Notice of Bond Sale dated November 23, 2020, which is hereby made a part of this Proposal, we offer to purchase all of the \$985,000 Public Improvement Refunding (Serial) Bonds, Series 2020 of the Town of Red Hook, New York, described in said Notice of Sale, and to pay therefor the price of \$985,000 plus a

premium of \$ _____,
 plus interest, if any, accrued on said Bonds from their date to the date of their delivery, provided that the Bonds maturing in the several years set forth below shall bear interest from their date until maturity at the respective rates per annum stated in the following table:

<u>Maturity</u>	<u>Amount*</u>	<u>Interest Rate</u>
October 1, 2021	\$80,000	
October 1, 2022	75,000	
October 1, 2023	80,000	
October 1, 2024	80,000	
October 1, 2025	80,000	
October 1, 2026	90,000	
October 1, 2027	90,000	
October 1, 2028	95,000	
October 1, 2029	100,000	
October 1, 2030	105,000	
October 1, 2031	110,000	

Preliminary, Subject to Change as provided in the Notice of Sale

Form of Bond: DTC SIB or Registered Certificated (CIRCLE ONE)

THERE IS NO GOOD FAITH DEPOSIT REQUIRED FOR THE BONDS

The following is our computation of the true interest cost, made as provided in the above-mentioned Notice of Bond Sale, but not constituting any part of the foregoing Proposal for the purchase of Bonds under the foregoing Proposal:

Par Amount of the Bonds \$985,000 Add:
 Premium..... \$ _____
 Accrued Interest\$ _____
 Target Value for Calculation..... \$ _____
 True Interest Rate..... _____% (four decimals)

Bid Submitted by:

Firm: _____

Address: _____

Contact: _____ Phone/Fax/Email: _____

Closing Coordinator: _____ Phone: _____